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December 2, 2011

VIA ECF

Honorable Nicholas G. Garaufis United States District Judge Eastern District of New York 225 Cadman Plaza East Brooklyn, NY 11201

Re: United States v. City of New York, No. 07-CV-2067 (NGG) (RLM)

Dear Judge Garaufis:

In the Court's Order Appointing Monitor (Docket #758), you directed the City and the Monitor to discuss the terms of compensation for the Monitor, his staff, and consultants. By order dated November 23, 2011, you extended the deadline to submit the proposed terms of compensation to today's date. I write to advise the Court that the parties have conferred in good faith, but have been unable to reach agreement concerning the terms of compensation. Accordingly, we respectfully request that the Court determine the appropriate compensation terms for the Monitor.

For the Court's convenience, we have attached the correspondence between the City and the Monitor, which sets forth our respective positions regarding the terms of compensation. The history of the negotiations is as follows. The City initially proposed a rate of \$450 per hour for work performed by partners, with associates at lower rates, and my firm proposed a range of \$650-750 per hour for partners, with counsel and associates at lower rates. After further discussions with the City, we reduced our proposed rates by 15 percent, with partners at an hourly rate of \$525-650, counsel at \$450-550 per hour, and associates at \$250 to \$525 per hour. The City continues to request that the hourly rate for partners be set at \$450 per hour, with counsel at \$375 per hour and associates at \$250 per hour.

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For the reasons set forth in my letter to the City of November 23, 2011, we respectfully submit that the rates we have proposed are appropriate, but we will of course accept any compensation terms that the Court determines.

Respectfully submitted,

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Mark S. Cohen

Cc: All counsel